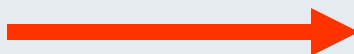


Colorado Solar Program

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The Movement Is Underway



A37 Requirements

- Ramp-up of renewable energy requirement:
 - 3% of retail electricity sales by years 2007-2010
 - 6% of retail electricity sales by years 2011-2014
 - 10% of retail electricity sales by years 2015 thereafter
- 4% of the renewable energy shall be derived from solar generation technologies; 96% from wind, biomass, etc.
- Half of 4% must be solar installations at customer locations
- 1% of electricity sales \$ to be collected for A37 - \$21-22 million per year

Program Standards

- Electric inspections by state/municipalities
- Only California Energy Commission-approved equipment permitted
 - Panels
 - Inverters
- Disconnect switch mandatory for systems connected to grid
- Pay for performance for systems 10 kw and above
 - Requires second meter
- Estimated output for systems <10 kw
 - One meter

Incentives

- Systems up to 10 kW - upfront incentive of \$4.50 per watt
 - \$2.00/watt rebate
 - \$2.50/watt Renewable Energy Credit (REC) payment.
- Systems above 10 kW and less than 2 MW will receive incentive in two parts
 - Upfront capital - \$2.00 per watt
 - REC / Energy payment - \$/kwh paid over the 20-year term of the contract
- Customers above 100 kW must submit REC bid over the 20-year term of the contract. Customers will have a net meter as their billing meter, and a 2nd (PV) meter to measure PV production.

Metering Standards

- Net Metering up to 2 MW
- Systems 10 kw and below, one meter
- Systems >10 kw, 2 meter system
- Systems > 10 kw net on energy only

Metering Specifics

- Small systems – Residential/Small Business
 - Itron Centron
 - New meter net meters and can be read by AMR systems
 - Approximately three different meter models
- Larger systems – Demand metered customers
 - Itron Sentinel meter
 - Approximately three major meter models
 - Larger customers will need CT's and PT's specific to their size
 - Three inputs, incoming demand, incoming kw-h, outgoing kw-h
 - Different implications for billing and meter reading systems
 - Need to watch inventories closely
 - Are labeled, so that are not replaced with incorrect meter on any meter changes

Questions & Answers

Other Program Information

Website

- Xcelenergy.com/solar
- Initial website launch has background information on process, selecting installer, PV production
- We will add the specifics of the 10 kW and under PV group for when program is launched.
- Interconnection Agreement, Application, Acknowledgment Letter, Contract will be available at launch

Self Service Strategy

- Automated, streamlined process
- Online technology utilized
 - Communication to customer on project status
 - Application
 - Solar system basics
 - All program information guidelines
 - Customer calculators to estimate PV output, installation costs
- Integrated with database that manages process internally
- Payment process for rebates

Customer Bid Process

- PV installations above 100 kW will submit RFP bid for REC payment over the 20-year term of the contract
- RFP conducted 1-2 times per year
- Bidders in 2006 –2007 can take full advantage of new EPACT 30% Federal Tax Credit Bid
- process approval by CPUC expected in early 2Q06